

**REVERSE AUCTION PROGRAM BUSINESS RULES (EFFECTIVE MAY 08, 2006) –
ADDENDUM DATED - 3/26/2009**

The purpose of this addendum is to amend the General Liability Insurance requirements for RAP contractors and inspectors who conduct the inspections.

Current requirement

Under section 1.1 Contractor Eligibility, this addendum replaces the third bullet:

- Maintain a minimum of \$500,000 general liability insurance;

Revised requirement effective 6/1/2009

Under section 1.1 Contractor Eligibility, this addendum replaces the third bullet:

Contractors must meet the following, in addition to the other requirements outlined in the Business Rules.

- RAP contractors must maintain General All Risk Liability Insurance \$1,000,000 per occurrence, \$2,000,000 aggregate.
- Inspectors who conduct inspections must maintain General All Risk Liability Insurance \$1,000,000 per occurrence, \$2,000,000 aggregate. Any such insurance certificate must be made available during inspection.
- Conditionally-certified inspectors are not required to have General All Risk Liability Insurance to conduct training (Phase II) inspections.
- Forward a copy of the Certificate of Liability Insurance to HUD, no later than May 15, 2009 or 30 days prior to the expiration date to:

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Real Estate Assessment Center
550 12th Street, SW, Suite 100
Washington, DC 20410
Attn: REAC Reverse Auction program